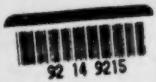

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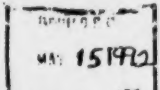

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1992

SEC 2232

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File
No. 2-72232

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GREAT EASTERN ENERGY AND DEVELOPMENT CORPORATION
(Exact name of registrant as specified in its charter)

COMMONWEALTH OF VIRGINIA	54-1082057
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

5990 Greenwood Plaza Blvd., Suite 116
Englewood, Colorado 80111
(Address of principal executive offices)

Registrant's telephone number, including area code:(303) 773-6016

NONE
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No_____

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, $.10 par value	18,844,245
Class	Outstanding at April 30, 1992

BEST COPY AVAILABLE

GREAT EASTERN ENERGY AND DEVELOPMENT CORPORATION AND SUBSIDIARIES

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GREAT EASTERN ENERGY AND DEVELOPMENT CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

ASSETS	March 31, 1992 (Unaudited)	December 31, 1991
	(In thousands)	
CURRENT ASSETS		
Cash	$ 136	$ 72
Certificates of deposit	565	565
Receivables, net of allowance for doubtful accounts of $241,000 and $263,000 in 1992 and 1991	286	317
Prepaid expenses and other current assets	14	26
Total current assets	1,001	980
OIL AND GAS PROPERTIES, at cost (accounted for using the successful efforts method)		
Proved oil and gas properties	11,080	11,241
Undeveloped leaseholds	392	388
Pipeline equipment	1,008	995
Equipment inventory	113	102
	12,593	12,726
Less accumulated depreciation, depletion, amortization and impairment	(9,564)	(9,620)
	3,029	3,106
OTHER ASSETS	335	343
	$4,365	$4,429
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Notes payable	$ 12	$ 12
Accounts payable and accrued expenses	193	199
Total current liabilities	205	211
NOTES PAYABLE	64	65
CONTINGENT LIABILITIES		
SHAREHOLDERS' EQUITY		
Preferred stock, $10.00 par value, 4,000,000 shares authorized, none issued or outstanding		
Common stock, $.10 par value, 40,000,000 shares authorized, 18,844,245 shares issued and outstanding	1,884	1,884
Additional paid-in capital	29,242	29,242
Accumulated deficit	(26,985)	(26,928)
Notes receivable - officers	(45)	(45)
Total shareholders' equity	4,096	4,153
	$4,365	$4,429

The accompanying notes are an integral part of the consolidated financial statements.

GREAT EASTERN ENERGY AND DEVELOPMENT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

	Three Months ended March 31, 1992	1991
	(In thousands, except per share amounts)	
REVENUES		
Oil and gas sales	$ 384	$ 393
Gas transmission sales	215	73
Income from drilling arrangements		123
Interest	9	28
Other income		1
	608	618
EXPENSES		
Production costs	181	172
Cost of gas transmission	203	72
Cost of drilling arrangements		87
Depletion, depreciation and amortization	70	52
Impairment of oil and gas properties	25	
General and administrative	186	160
	665	543
NET INCOME (LOSS)	$ (57)	$ 75
NET INCOME (LOSS) PER SHARE	$ .00	$ .00
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	18,844	18,844

The accompanying notes are an integral part of the consolidated financial statements.

GREAT EASTERN ENERGY AND DEVELOPMENT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31,	
	1992	1991
	(In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (57)	$ 75
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Decrease in accounts receivable	31	62
(Increase) decrease in other current assets	12	(4)
Depletion, depreciation, amortization	70	52
Impairment of oil and gas properties	25	
Decrease in accounts payable and accrued expenses	(6)	(67)
Decrease in advances under drilling arrangements		(123)
Net cash provided by (used for) operating activities	75	(5)
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in certificates of deposit		481
Additions to oil and gas properties	(10)	(450)
Increase in other assets		(14)
Net cash used for investing activities	(10)	(17)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of debt	(1)	(2)
INCREASE IN CASH	64	10
CASH AT BEGINNING OF PERIOD	72	54
CASH AT END OF PERIOD	$ 136	$ 64

The accompanying notes are an integral part of the consolidated financial statements.

GREAT EASTERN ENERGY AND DEVELOPMENT CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 - BASIS OF PRESENTATION

The interim financial data are unaudited; however, in the opinion of Great Eastern Energy and Development Corporation and Subsidiaries ("Great Eastern" or the "Company"), the interim data include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the results for the interim periods. These financial statements should be read in conjunction with Great Eastern's December 31, 1991 audited consolidated financial statements and notes thereto included in Form 10-K.

The consolidated financial statements include the accounts of Great Eastern and its wholly-owned subsidiaries, Patton Oil Co. ("Patton"), Zoandra Petroleum, Inc. ("Zoandra") and Sycamore Valley Gathering, Ltd. All significant intercompany balances and transactions have been eliminated in consolidation.

Certain reclassifications have been recorded to the 1991 consolidated financial statements to conform with the 1992 presentation.

NOTE 2 - ACQUISITION OF PATTON OIL CO.

Patton Oil Co. v. McMahon, et al.

Under applicable law, Patton shareholders who dissented from the exchange offer of Company shares for Patton shares, completed in June 1985, were entitled to tender their shares and receive fair value for such shares in cash. Six shareholders holding 218,969 shares of Patton exercised their right to receive cash. The fair market value at the time of the exchange was determined by independent evaluation to be $.40 per share of Patton common stock. Patton made payment of $.40 per share for such stock and the dissenting shareholders made supplemental demands for cash payments of approximately $4.25 per share.

Management initiated suit to have the court determine the fair price. Final arguments were presented on February 17, 1989 at the District Court, Arapahoe County, Colorado ("District Court"). The District Court rendered a "preliminary judgment" in favor of the dissenting shareholders. However, on February 21, 1989, the court found that the fact that the Company had no knowledge of two expert opinion reports produced for the dissenting shareholders was critical to the ultimate findings of fact as to stock value.

The court granted a motion for post-trial relief and ordered that a new trial be granted. Upon completion of the second trial, the trial court rendered a decision in favor of the Company, finding the amount paid to the dissenting shareholders repre-

sented fair value for their shares.

On April 27, 1990, the dissenting shareholders filed an appeal. The Company filed a cross appeal seeking an award of its fees and expenses in the litigation on the grounds that the conduct of the dissenters was vexatious and not in good faith. Oral arguments were heard by the Colorado Court of Appeals ("Court of Appeals") on July 16, 1991. The Court of Appeals rendered its decision in favor of the dissenting shareholders on August 22, 1991. The decision upheld the "preliminary judgment" rendered by the District Court.

The Company, on September 4, 1991, contested the decision of the Court of Appeals, but was denied. Accordingly, on November 6, 1991 a motion was filed with the Supreme Court, State of Colorado, ("Supreme Court") to reverse the decision of the Court of Appeals. The motion also requested the Supreme Court uphold the "final judgment" rendered at the second trial by the District Court in favor of the Company. The Supreme Court denied the Company's motions and remanded the case back to the District Court. The District Court entered a judgment against Patton Oil Co., Great Eastern's wholly-owned subsidiary. The adverse judgment, if upheld, could be in an amount of $221,000, plus accrued interest of $228,000 at March 31, 1992, expenses and possibly attorney's fees, the amount of which is yet to be determined. The Company was denied a motion for post-trial relief, and has filed an appeal. Management continues to believe the amount paid to the dissenting shareholders represents the amount of their entitlement.

Should the Court of Appeals deny Patton Oil Co.'s appeal, and uphold the existing judgment, Great Eastern could exercise its rights to foreclose on a mortgage which is secured by all of Patton Oil Co.'s oil and gas assets, or transfer all of Patton Oil Co.'s oil and gas assets to Great Eastern in satisfaction of its debt in any bankruptcy proceeding that may be filed. Great Eastern acquired the mortgage notes and accrued interest from a bank on September 11, 1986. As of March 31, 1992, the mortgage notes ($3,983,676) and the accrued interest ($2,562,388) aggregate $6,546,064.

GREAT EASTERN ENERGY AND DEVELOPMENT CORPORATION AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

Results of Operations

First quarter 1992 Compared to First quarter 1991. The Company's first quarter fiscal 1992 operations reflected a net loss of $57,000 as compared to net income of $75,000 for the corresponding quarter of fiscal 1991. Declining sales volumes from maturing oil wells and the continued depression of product prices have resulted in decreased net revenue from oil and gas operations despite a continued increase to natural gas sales volumes. Natural gas sales volumes should increase throughout the remainder of fiscal 1992 as coalbed methane gas wells are completed and connected to the gathering system.

An increase to production volumes from the Company's coalbed methane gas wells has contributed to an improvement in gas transmission sales despite a decline in product prices. The volume increase has contributed to a profit of $12,000 from natural gas transmission operations for the first quarter of fiscal 1992 as compared to break even results for the corresponding quarter of fiscal 1991. During the second quarter of fiscal 1992, gas transmission operations will benefit from replacement of the Company's last more-costly rental compressor with a Company-owned compressor.

During 1990, Great Eastern entered into a drilling arrangement under a ten-well program with an unaffiliated third party. By the terms of the agreement, Great Eastern drilled and completed the wells for a turnkey sales price of $366,000. Based on the percentage complete at December 31, 1990 of 66%, Great Eastern recognized income from drilling arrangements of $243,000 and cost of drilling arrangements of $184,000. The remaining income from drilling arrangements of $123,000 and cost of drilling arrangements of $87,000 were reflected in operations during the first quarter of fiscal 1991. Associated with the drilling arrangement, Great Eastern sold its entire economic interest in the area of interest in exchange for a $300,000 production payment. The production payment will be paid out of a percent of program net income over a period not to exceed 12 years. The Company will recognize revenue from the production payment as the program generates net income, as defined in the agreement.

Fiscal 1992 interest income decreased as a result of a decrease in funds available to earn interest through the first quarter of fiscal 1991 as funds were invested in oil and gas properties, primarily the coalbed methane gas wells. Also rates for interest earned declined dramatically from 1991 to 1992.

Depreciation, depletion and amortization increased to $70,000 for the first quarter of fiscal 1992 as compared to $52,000 during the corresponding quarter of fiscal 1991. The increase resulted from greater production volumes associated with the Company's coalbed methane gas wells. Impairment of oil and gas properties increased by and to $25,000 during the first quarter of fiscal 1992. Certain of the Company's undeveloped acreage in southeastern Kansas may not be evaluated within a prescribed period and, therefore, have been impaired.

Current Operations

Great Eastern is currently conducting drilling and completion operations in southeastern Kansas. The wells are designed to evaluate coalbeds for methane gas production.

Liquidity and Capital Resources

Working Capital. The Company had working capital of $.8 million at March 31, 1992 and December 31, 1991. The Company has no bank debt and no oil and gas properties are pledged as collateral. Management believes that the Company's liquidity is adequate to meet operating activities for fiscal 1992. Oil and gas development activities will be funded solely from excess cash generated from operations or, should the Company sell all or a portion of its southeastern Kansas coalbed methane gas wells, from proceeds from the sale.

Future Operations. Efforts will continue to farmout high risk exploratory prospects from the Company's inventory to oil and gas companies with greater resources. Given the present economic condition in the industry, no assurance can be made that the Company will be successful in its efforts. With respect to its production activities, management will fund only those activities that have a high liklihood of giving the Company a reasonable return on its investment given the current price of oil and gas.

Because the Company's coalbed evaluation in southeastern Kansas has been successful, management has proposed the drilling of several additional wells in the area. However, as discussed in "Working Capital" above, drilling will be funded solely by cash generated from operations or from the sale of all or a portion of the coalbed methane gas wells. Should the wells be drilled and found commercially productive, additional costs may be required to extend the gathering system.

Legal Proceeding. The Company's liquidity position may be affected by the results of presently pending litigation.

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fair value for such shares in cash. Six shareholders holding 218,969 shares of Patton exercised their right to receive cash. The fair market value at the time of the exchange was determined by independent evaluation to be $.40 per share of Patton common stock. Patton made payment of $.40 per share for such stock and the dissenting shareholders made supplemental demands for cash payments of approximately $4.25 per share.

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PART II - OTHER INFORMATION

Item 1 - Material developments in connection with legal proceedings are incorporated herein reference to Part I, Notes to the Consolidated Financial Statemenst, pages 6 and 7, and Management's Discussion and Analysis of Financial Condition and Results of Operations, pages 9 through 11, of this Form 10-Q.

Items 2, 3, 4, 5 and 6 are not applicable.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GREAT EASTERN ENERGY AND DEVELOPMENT CORPORATION
(Registrant)

Date: May 14, 1992

By _____
Donald G. Jumper
President, Chief Executive Officer, Chief Financial and Accounting Officer and Director